

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-02168A  
Truxton Canyon Water Company, Inc.  
2409 Ricca Dr  
Kingman, AZ 86401

**RECEIVED**

AUG 15 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2005
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Entered  
8-15-06  
RF

FOR COMMISSION USE  
ANN04 05

Scanned  
8-16-06  
RF

**Dennis, Schmich & Co., Ltd.**

Certified Public Accountants

Member of the AICPA Private Companies Practice Section

**Telephone (602) 265-5900**

3839 North Third Street Suite 305

Phoenix, Arizona 85012

The Board of Directors  
Truxton Canyon Water Company, Inc.  
Kingman, Arizona

We have compiled the accompanying balance sheet for Truxton Canyon Water Company, Inc. as of December 31, 2005 and 2004, the related comparative statement of income and expense for the years then ended, the balance sheet as of December 31, 2005 as shown on page 16, and the statement of income and expenses for the year ended December 31, 2005 as shown on page 17 included in the accompanying prescribed form of the Arizona Corporation Commission Utilities Division Annual Report of Truxton Canyon Water Company, Inc. in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information on pages 4, 5, 13, and 15.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and supplemental information are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information on pages 2, 3, 9, 10, 11, 12, 14, 18, and 19 contained in the accompanying prescribed form has not been audited, reviewed or compiled by us and, accordingly, we assume no responsibility for that information.

We are not independent with respect to Truxton Canyon Water Company, Inc.

August 8, 2006

*Dennis, Schmich & Co., Ltd.*

## COMPANY INFORMATION

**Company Name (Business Name)** TRUXTON CANYON WATER COMPANY, INC.

**Mailing Address** 2409 RICCA DRIVE

(Street)

KINGMAN

(City)

ARIZONA

(State)

86401

(Zip)

(928) 753-1121

Telephone No. (Include Area Code)

(928) 753-1963

Fax No. (Include Area Code)

(928) 716-1888

Pager/Cell No. (Include Area Code)

**Email Address** N/A

**Local Office Mailing Address** 2409 RICCA DRIVE

(Street)

KINGMAN

(City)

ARIZONA

(State)

86401

(Zip)

(928) 753-1121

Local Office Telephone No. (Include Area Code)

(928) 753-1963

Fax No. (Include Area Code)

(928) 716-1888

Pager/Cell No. (Include Area Code)

**Email Address** N/A

## MANAGEMENT INFORMATION

**Management Contact:** B. MARK NEAL PRESIDENT

(Name)

(Title)

8163 E. HIGHWAY 66

(Street)

KINGMAN

(City)

ARIZONA

(State)

86401

(Zip)

(928) 753-1121

Telephone No. (Include Area Code)

(928) 753-1963

Fax No. (Include Area Code)

(928) 716-1888

Pager/Cell No. (Include Area Code)

**Email Address** N/A

**On Site Manager:** B. MARC NEAL

(Name)

SAME

(Street)

(City)

(State)

(Zip)

SAME

SAME

SAME

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** N/A

SEE ACCOUNTANT'S COMPILATION REPORT

<b>Statutory Agent:</b> <u>RICHARD SALLQUIST</u>			
(Name)			
<u>2525 E. ARIZONA BILTMORE CIRCLE #117</u>	<u>PHOENIX</u>	<u>ARIZONA</u>	<u>85016-2129</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 224-9222</u>	<u>(602) 224-9366</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>RICHARD SALLQUIST</u>			
(Name)			
<u>SAME</u>			
(Street)	(City)	(State)	(Zip)
SAME	SAME		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

**COMPANY NAME** TRUXTON CANYON WATER COMPANY, INC.

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	20	0	20
304	Structures and Improvements	159	159	0
307	Wells and Springs	19,791	19,791	0
311	Pumping Equipment	11,462	11,462	0
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	497,362	63,994	433,368
333	Services	64,236	32,998	31,238
334	Meters and Meter Installations	118,637	44,442	74,195
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	406	406	0
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>712,073</b>	<b>173,252</b>	<b>538,821</b>

This amount goes on the Balance Sheet Acct. No. 108 

SEE ACCOUNTANT'S COMPILATION REPORT

**COMPANY NAME** TRUXTON CANYON WATER COMPANY, INC.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	20	N/A	0
304	Structures and Improvements	159		
307	Wells and Springs	19,791		
311	Pumping Equipment	11,462	12.50	0
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	497,362	2.00	9,947
333	Services	64,236	3.33	2,139
334	Meters and Meter Installations	118,637	8.33	9,885
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	406	6.67	0
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>712,073</b>		<b>21,971</b>

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

\* <1269>  
→ 20702

\*Amortization of CIAC is \$1,269 which is not included in depreciation expense but is added to accumulated depreciation.  
SEE ACCOUNTANT'S COMPILATION REPORT

## BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 793	\$ 27,234
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	18,584	13,053
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 19,377	\$ 40,287
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 261,237	\$ 712,073
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(151,280)	(173,252)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 109,957	\$ 538,821
	<b>TOTAL ASSETS</b>	\$ 129,334	\$ 579,108

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

SEE ACCOUNTANT'S COMPILATION REPORT

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	1,162	1,877
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	3,829	9,443
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 4,991	\$ 11,320
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 434,282	\$ 441,364
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	81,793	525,080
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	63,429	63,429
272	Less: Amortization of Contributions	(53,910)	(55,179)
281	Accumulated Deferred Income Tax	(65,000)	(66,000)
	<b>TOTAL DEFERRED CREDITS</b>	\$ 26,312	\$ 467,330
	<b>TOTAL LIABILITIES</b>	\$ 465,585	\$ 920,014
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 11,000	\$ 11,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(347,251)	(351,906)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ (336,251)	\$ (340,906)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 129,334	\$ 579,108

SEE ACCOUNTANT'S COMPILATION REPORT



**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 238,348	\$ 251,289
460	Unmetered Water Revenue		
474	Other Water Revenues	10,764	15,896
	<b>TOTAL REVENUES</b>	\$ 249,112	\$ 267,185
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water	80,364	80,609
615	Purchased Power	301	38
618	Chemicals	1,722	1,534
620	Repairs and Maintenance		
621	Office Supplies and Expense		
630	Outside Services – Management Fee (and professional fees)	145,100	158,822
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1,007	1,698
403	Depreciation Expense	9,619	20,702
408	Taxes Other Than Income	82	
408.11	Property Taxes	8,210	9,689
409	Income Tax	50	(666)
	<b>TOTAL OPERATING EXPENSES</b>	\$ 246,455	\$ 272,426
	<b>OPERATING INCOME/(LOSS)</b>	\$ 2,657	\$ (5,241)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$ 587
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 0	\$ 587
	<b>NET INCOME/(LOSS)</b>	\$ 2,657	\$ (4,654)

SEE ACCOUNTANT'S COMPILATION REPORT

**COMPANY NAME** TRUXTON CANYON WATER COMPANY, INC.

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	VAR			
Source of Loan	CLAUDE K. NEAL TRUST			
ACC Decision No.				
Reason for Loan	LINE OF CREDIT			
Dollar Amount Issued	\$ VAR	\$	\$	\$
Amount Outstanding	\$ 441,364	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$ 0	\$	\$	\$
Current Year Principle	\$ 0	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 84,541
Meter Deposits Refunded During the Test Year	\$ 16,068

SEE ACCOUNTANT'S COMPILATION REPORT

**COMPANY NAME** TRUXTON CANYON WATER COMPANY, INC.

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
624983	3 HP	25	300	12"	1"	1944
624989	CAPPED	N/A	260	16"	N/A	1944

- Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
CLAUDE K. NEAL FAMILY TRUST	5700	49,453

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
N/A	N/A	7	N/A

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME TRUXTON CANYON WATER COMPANY, INC.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	89,200
5		
6	PVC	57,880
8	PVC	1,660
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	719
1	4
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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SEE ACCOUNTANT'S COMPILATION REPORT

COMPANY NAME: TRUXTON CANYON WATER COMPANY, INC.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	668	- 2,657,747	2,657,747
FEBRUARY	672	3,049,163	3,049,163
MARCH	675	2,306,830	2,306,830
APRIL	671	3,920,867	3,920,867
MAY	667	4,220,656	4,220,656
JUNE	679	4,221,000	4,221,000
JULY	679	5,334,554	5,334,554
AUGUST	684	5,446,778	5,446,778
SEPTEMBER	694	5,343,779	5,343,779
OCTOBER	681	5,185,701	5,185,701
NOVEMBER	733	4,650,911	4,650,911
DECEMBER	725	3,115,448	3,115,448
TOTAL		N/A	49,453,434

49,453,434

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (X ) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (X ) No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. .008 mg/l

(If more than one well, please list each separately)

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

SEE ACCOUNTANT'S COMPILATION REPORT

CORRECTED

COMPANY NAME TRUXTON CANYON WATER COMPANY, INC. YEAR ENDING 12/31/2005

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 9,689

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SEE ACCOUNTANT'S COMPILATION REPORT

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

**RECEIVED**

AUG 15 2006

**VERIFICATION**

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <b>MOHAVE</b>	<b>AZ CORP COMM</b> <b>Director Utilities</b>
NAME (OWNER OR OFFICIAL) TITLE <b>MARC NEAL, PRESIDENT</b>	
COMPANY NAME <b>TRUXTON CANYON WATER COMPANY, INC.</b>	

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**


MONTH <b>12</b>	DAY <b>31</b>	YEAR <b>2005</b>
--------------------	------------------	---------------------

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

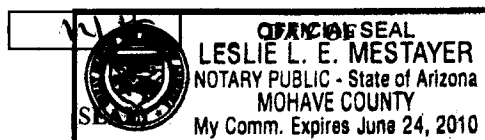
**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
**928-753-1121**  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

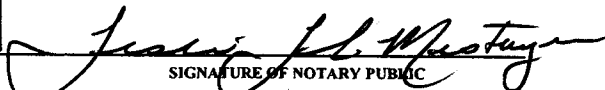
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**



COUNTY NAME <b>Mohave</b>	
MONTH <b>August</b>	.20 <b>06</b>

**MY COMMISSION EXPIRES** \_\_\_\_\_

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME TRUXTON CANYON WATER COMPANY, INC. YEAR ENDING 12/31/2005

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>\$0</u>
Estimated or Actual Federal Tax Liability	<u>\$0</u>
State Taxable Income Reported	<u>\$4,791 (est)</u>
Estimated or Actual State Tax Liability	<u>\$334 (est)</u>
Amount of Grossed-Up Contributions/Advances:	
Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

B. Marc Neal  
SIGNATURE

8-14-06  
DATE

B. MARC NEAL  
PRINTED NAME

PRESIDENT  
TITLE

SEE ACCOUNTANT'S COMPILATION REPORT.



**DOCKET NO.: W-02168A**

**Year ending:**

**12/31/05**

**COMPANY NAME: TRUXTON CANYON WATER COMPANY, INC.**

**BALANCE SHEET**

**ASSETS**

Property, Plant & Equipment	\$ 538,821
Current Assets	<u>40,287</u>
Total Assets	<u>\$ 579,108</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current liabilities	\$ 11,320
Long-term debt	441,364
Deferred credits	467,330
Stockholders' equity	<u>(340,906)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 579,108</u>

**DOCKET NO.:** W-02168A **Year ending:** 12/31/05

**COMPANY NAME:** **TRUXTON CANYON WATER COMPANY, INC.**

**STATEMENT OF INCOME AND EXPENSES**

Revenues	\$ 267,185
Operating expenses	<u>272,426</u>
Operating income	(5,241)
Other income and deductions	-
Interest	<u>587</u>
Net income	<u><u>\$ (4,654)</u></u>

See accountant's compilation report.

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

AUG 15 2006

AZ CORP COMM  
Director Utilities

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<b>MOHAVE</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>MARC NEAL, PRESIDENT</b>
COMPANY NAME
<b>TRUXTON CANYON WATER COMPANY, INC.</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 266,384

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 15,095  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*B Marc Neal*  
SIGNATURE OF OWNER OR OFFICIAL  
928-753-1121  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

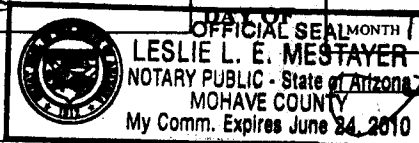
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14<sup>th</sup>

(SEAL)

MY COMMISSION EXPIRES



COUNTY NAME
DATE OF MONTH / YEAR
<u>August</u> / <u>2006</u>

*Leslie L. E. Mestayer*  
SIGNATURE OF NOTARY PUBLIC

*See Accountant's Compilation Report*

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**

AUG 15 2006

AZ CORP COMM  
Director Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

**COUNTY OF MOHAVE**

**NAME (OWNER OR OFFICIAL) MARC NEAL**

**TITLE PRESIDENT**

**COMPANY NAME TRUXTON CANYON WATER COMPANY, INC.**

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

<b>MONTH</b>	<b>DAY</b>	<b>YEAR</b>
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 255,681

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 14,504  
IN SALES TAXES BILLED, OR COLLECTED

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

  
SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

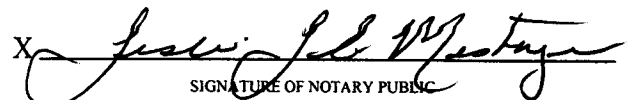
14<sup>th</sup>

**DAY OF**

**(SEAL)**

**MY COMMISSION EXPIRES**

<small>NOTARY PUBLIC NAME</small> Leslie L. E. Mestayer	
<small>COUNTY NAME</small> Mohave	
<small>MONTH</small> August	<small>20 06</small>

  
SIGNATURE OF NOTARY PUBLIC

See Accountant's Compilation Report

MOHAVE COUNTY TREASURER Tax Receipt  
Phone: (928) 753-0737

Pg: 1

BATCH: 5619496

CNTR

Payment Date:

10/04/2005

Interest Date:

10/04/2005

Printed by:

YERBYK

Paid by: TRUON CANYON WATER CO

CK2109

2409 RICCA DRIVE  
KINGMAN, AZ 86401

	Description	Amount	Balance Due	--- If paid by
313-44-420	2005 TAXES	61.64		
	TOTL	61.64 *	111.22	BY 10/31/2005
			111.22	BY 11/30/2005
			111.22	BY 12/31/2005
	TOTAL PAID	61.64		
	The balance due might contain amounts from previous del			
	TRACT: 1192			
	VALLE VISTA TRACT 1192			
	POR SEC 10 & 15			
	LOT 420			
314-10-001	2005 TAXES	9.28		
	TOTL	9.28 *		
	TOTAL PAID	9.28		
	The balance due might contain amounts from previous del			
	W 500' OF THE N 200' OF			
	THE S 2282.7' SEC 19 23N			
	13W 2.30AC M/L			
927-70-300	2005 TAXES	153.07		
	TOTL	153.07 *	300.24	BY 10/31/2005
			300.24	BY 11/30/2005
			300.24	BY 12/31/2005
	TOTAL PAID	153.07		
	The balance due might contain amounts from previous del			
	TOTAL VALUE OF OPERATING PROPERTY			
927-70-360	2005 TAXES	1,693.44		
	TOTL	1,693.44 *	3,127.13	BY 10/31/2005
			3,142.96	BY 11/30/2005
			3,158.79	BY 12/31/2005
	TOTAL PAID	1,693.44		
	The balance due might contain amounts from previous del			
	TOTAL VALUE OF OPERATING PROPERTY			
927-70-400	2005 TAXES	708.16		
	TOTL	708.16 *	1,397.09	BY 10/31/2005
			1,403.65	BY 11/30/2005
			1,410.20	BY 12/31/2005
	TOTAL PAID	708.16		
	The balance due might contain amounts from previous del			
	TOTAL VALUE OF OPERATING PROPERTY			

MOHAVE COUNTY TREASURER Tax Receipt

Phone: (928) 753-0737

Pg: 2

BATCH:

5619496

CNTR

Payment Date:

10/04/2005

Interest Date:

10/04/2005

Printed by:

YERBYK

Paid by: TRUON CANYON WATER CO

CK2109

2409 RICCA DRIVE  
KINGMAN, AZ 86401

	Description	Amount	Balance Due	--- If paid by
927-70-460	2005 TAXES	1,261.56		
	TOTL	1,261.56	* 2,474.21	BY 10/31/2005
			2,489.25	BY 11/30/2005
			2,504.28	BY 12/31/2005
	TOTAL PAID	1,261.56		
	The balance due might contain amounts from previous del			
	TOTAL VALUE OF OPERATING PROPERTY			
927-72-200	2005 TAXES	1,194.97		
	TOTL	1,194.97	* 2,279.47	BY 10/31/2005
			2,292.71	BY 11/30/2005
			2,305.96	BY 12/31/2005
	TOTAL PAID	1,194.97		
	The balance due might contain amounts from previous del			
	TOTAL VALUE OF OPERATING PROPERTY			
14-05-019		1,500		

MOHAVE COUNTY TREASURER Tax Receipt

Phone: (928) 753-0737

Pg: 1

BATCH: 5636855

CNTR

Payment Date: 10/31/2005

Interest Date: 10/31/2005

Printed by: BOGGIP

Paid by: TRUXTON CANYON WATER CO  
B MARC NEAL/PRESIDENT

2409 RICCA DRIVE  
KINGMAN, 86401

22568

	Description	Amount	Balance Due --- If paid by
313-44-420	2003 INT/FEE	25.00	
	2003 CERT	86.22	
	**** CERTIFICATE REDEEMED		
	TOTL	111.22	*
	TOTAL PAID	111.22	
The balance due might contain amounts from previous del			
TRACT: 1192			
VALLE VISTA TRACT 1192			
POR SEC 10 & 15			
LOT 420			
927-70-300	2003 INT/FEE	25.00	
	2003 CERT	122.17	
	**** CERTIFICATE REDEEMED		
	TOTL	147.17	*
927-70-300	2005 TAXES	153.07	
	TOTL	153.07	*
	TOTAL PAID	300.24	
The balance due might contain amounts from previous del			
TOTAL VALUE OF OPERATING PROPERTY			
927-70-360	2003 INT/FEE	167.45	
	2003 CERT	1,266.24	
	**** CERTIFICATE REDEEMED		
	TOTL	1,433.69	*
927-70-360	2005 TAXES	1,693.44	
	TOTL	1,693.44	*
	TOTAL PAID	3,127.13	
The balance due might contain amounts from previous del			
TOTAL VALUE OF OPERATING PROPERTY			
927-70-400	2003 INT/FEE	83.98	
	2003 CERT	604.95	
	**** CERTIFICATE REDEEMED		
	TOTL	688.93	*
927-70-400	2005 TAXES	708.16	
	TOTL	708.16	*
	TOTAL PAID	1,397.09	
The balance due might contain amounts from previous del			
TOTAL VALUE OF OPERATING PROPERTY			

MOHAVE COUNTY TREASURER Tax Receipt

Phone: (928) 753-0737

Pg: 2

BATCH: 5636855

CNTR

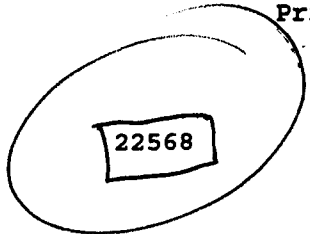
Payment Date: 10/31/2005

Interest Date: 10/31/2005

Printed by: BOGGIP

Paid by: TRUXTON CANYON WATER CO  
B MARC NEAL/PRESIDENT

2409 RICCA DRIVE  
KINGMAN, 86401



	Description	Amount	Balance Due --- If paid by
927-70-460	2003 INT/FEE	85.13	
	2003 CERT	1,127.52	
	**** CERTIFICATE REDEEMED		
	TOTL	1,212.65	*
927-70-460	2005 TAXES	1,261.56	
	TOTL	1,261.56	*
	TOTAL PAID	2,474.21	
The balance due might contain amounts from previous del			
TOTAL VALUE OF OPERATING PROPERTY			
927-72-200	2003 INT/FEE	91.22	
	2003 CERT	993.28	
	**** CERTIFICATE REDEEMED		
	TOTL	1,084.50	*
927-72-200	2005 TAXES	1,194.97	
	TOTL	1,194.97	*
	TOTAL PAID	2,279.47	
The balance due might contain amounts from previous del			
TOTAL VALUE OF OPERATING PROPERTY			
314-05-019		1,500	